

Program B: Claims

Program Authorization: La. Revised Statutes, Title 29, Sections 251-262, as Amended.

PROGRAM DESCRIPTION

The mission of the Claims Program in the Department of Veterans Affairs is to represent veterans and/or their dependents on claims for benefits under the laws of the United States or any state thereof.

The goal of the Claims Program in the Department of Veterans Affairs is to assure veterans and/or their dependents that a just and proper decision is secured on their claims for benefits they are entitled to under the laws of the United States or the states thereof.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2000-2001. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

The objectives and performance indicators that appear below are associated with program funding in the Base Executive Budget for FY 2000-01. Specific information on program funding is presented in the financial sections that follow performance tables.

1. (KEY) To reach and maintain a 56% approval ratio and to process a minimum of 28,000 claims per year.

Explanatory Note: The large number of claimants and recipients of benefits is generating an increasing demand for representation on claims and sharply increasing requests for information on individual claims from the local contact offices of origin. Also increasing is the number of aged veterans who need medical benefits and/or supplemental income from the U.S. Department of Veterans Affairs through pension or compensation payments. Constant changes by Congress in benefit laws greatly increases the responsibility of this program.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of claims approved ¹	46%	54%	44%	44%	56%	56%
K	Number of claims processed	33,908	32,527	32,918 ³	32,918 ³	34,320	28,602 ⁴
S	Average cash amount per claim	\$12,168	\$12,506	\$12,506 ⁵	\$12,506 ⁵	\$12,401	\$12,401

¹ The name of this indicator has been modified from "Percentage of claims processed" to "Percentage of claims approved" in order to clarify what the indicator actually measures.

² Although the FY 1999-00 performance standard for this indicator is 44%, the agency indicates in its FY 1999-00 First and Second Quarter Performance Progress Reports that it currently anticipates the yearend level to be 56%.

³ Although the FY 1999-00 performance standard for this indicator is 32,918, the agency indicates in its FY 1999-00 First and Second Quarter Performance Progress Reports that it currently anticipates the yearend total to be 34,320.

⁴ As a result of funding and position cuts in the Executive Budget recommendation for the Department of Veterans Affairs, the department projects that the number of claims processed will decrease by almost 17% from continuation level.

⁵ Although the FY 1999-00 performance standard for this indicator is \$12,506, the agency indicates in its FY 1999-00 First and Second Quarter Performance Progress Reports that it currently anticipates the yearend total to be \$12,401.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$278,355	\$341,856	\$341,856	\$354,686	\$361,716	\$19,860
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	0	0	0	0	0	0
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<u>\$278,355</u>	<u>\$341,856</u>	<u>\$341,856</u>	<u>\$354,686</u>	<u>\$361,716</u>	<u>\$19,860</u>
EXPENDITURES & REQUEST:						
Salaries	\$226,799	\$252,000	\$252,000	\$260,144	\$266,509	\$14,509
Other Compensation	0	0	0	0	0	0
Related Benefits	35,072	54,391	54,391	55,512	58,253	3,862
Total Operating Expenses	16,484	14,465	14,465	14,675	12,599	(1,866)
Professional Services	0	0	0	0	0	0
Total Other Charges	0	0	0	0	0	0
Total Acq. & Major Repairs	0	21,000	21,000	24,355	24,355	3,355
TOTAL EXPENDITURES AND REQUEST	<u>\$278,355</u>	<u>\$341,856</u>	<u>\$341,856</u>	<u>\$354,686</u>	<u>\$361,716</u>	<u>\$19,860</u>
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	9	9	9	9	9	0
Unclassified	0	0	0	0	0	0
TOTAL	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>0</u>

SOURCE OF FUNDING

This program is funded from the State General Fund.

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$341,856	\$341,856	9	ACT 10 FISCAL YEAR 1999-2000
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$341,856	\$341,856	9	EXISTING OPERATING BUDGET – December 3, 1999
\$5,878	\$5,878	0	Annualization of FY 1999-2000 Classified State Employees Merit Increase
\$3,387	\$3,387	0	Classified State Employees Merit Increases for FY 2000-2001
\$24,355	\$24,355	0	Acquisitions & Major Repairs
(\$21,000)	(\$21,000)	0	Non-Recurring Acquisitions & Major Repairs
\$7,240	\$7,240	0	Salary Base Adjustment
\$361,716	\$361,716	9	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$361,716	\$361,716	9	BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$361,716	\$361,716	9	GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 105.8% of the existing operating budget. It represents 94.4% of the total request (\$384,827) for this program. The changes from total recommended and existing operating budget are attributable to the personal services adjustment to adequately fund salaries in FY00-01.

PROFESSIONAL SERVICES

This program does not have funding for Professional Services for Fiscal Year 2000 2001.

OTHER CHARGES

This program does not have funding for Other Charges for Fiscal Year 2000 - 2001.

ACQUISITIONS AND MAJOR REPAIRS

\$24,355	Replacement of office and computer equipment
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\$24,355	TOTAL ACQUISITIONS AND MAJOR REPAIRS
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